

**City of Falls Church  
Economic Development Authority  
Business Meeting Minutes – APPROVED  
Tuesday, May 6, 2014 – 7 p.m.  
Falls Church City Hall – Dogwood Room  
300 Park Avenue, Falls Church, VA 22046**

- I. Call to Order** – The meeting was called to order at 7:05 p.m. by Chairman Novotny.

**EDA Board Members Present:** Chairman Mike Novotny, Brian Williams, Barry Buschow, Erik Pelton, and Justin Berg.

**EDA Board Members Excused:** Kathy Hamor and Ed Saltzberg.

**ED Staff:** Rick Goff and Becky Witsman.

**City Staff:** Jim Snyder (General Manager of Development Services).

**Public Attendees:** Planning Commissioners Lindy Hockenberry and Melissa Teates, and Tim Stevens (Environmental Services Council).

- II. Approval of April 1, 2014 Minutes** – Mr. Buschow made a motion to approve the minutes as amended by Mr. Berg and Mr. Novotny for edits regarding their comments on the Kensington proposal as forwarded to Mr. Goff. Mr. Pelton seconded the motion, which was approved unanimously.

**III. Petitions from the Board (5 minutes per petitioner)**

Mr. Berg requested a discussion of the format and content of the draft memo of the EDA's recommendation to City Council and the Planning Commission regarding the Kensington. He suggested deletion of a section of the memo entitled, "Summary of General Board Comments," and replacing the section with an attachment of the minutes of the April board meeting to provide full context of board member comments. He also suggested a reordering of other sections of the memo.

Following a discussion the pros and cons of the suggested changes, the board reached a consensus to reorder the memo to contain general comments from members immediately following the board's formal recommendation, but ahead of specific board comments organized into five major subject areas. The board also agreed to attach the April 1, 2014 EDA minutes to the memo and to insert a statement that their recommendations and comments were based upon information available at the time of their April meeting.

**IV. Petitions from the Public (5 minutes per petitioner)**

Ms. Hockenberry addressed the board to convey a recent Planning Commission discussion about tax incentives to attract office development and restaurants to the City. She said that BPOL and perhaps other taxes could be lowered to target desired development and tenants. She noted that the Northgate had just opened and two commercial spaces in the building are unleased. The parking facilities in the building are well-designed and are the best among mixed-use projects in the City, she added.

Mr. Snyder said that the City needs to support a pending proposal for a Class A office building at 400 N. Washington because there are no buildings of that quality in Falls Church. Mr. Goff responded that he agreed the 400 N. Washington project is very important to the City and tax increment financing should be considered to pay for certain public improvements at the proposed development site as an incentive to the developer. He said that the Tax Analysts Building is a Class A facility and proves that there is a market in the City for professional office tenants with similar size businesses.

Mr. Pelton observed that as a business owner in the City the biggest obstacle for office tenants is not taxes but transportation for Metro access. Mr. Berg said faster and more transparent application approvals by the City would encourage more new development. Ms. Teates responded that the Planning Commission has offered developers simultaneous review and approval of site plans and special exception applications but there have been no takers.

Mr. Buschow asked Mr. Snyder if the small area plans would help with the attraction of desired development and commercial uses in the City and he said they would. The City's approval process needs to accelerate through the Economic Development Committee, Mr. Buschow commented.

Ms. Teates said that the City needs a shuttle to and from Metro for our commercial corridor, not the residential streets.

Mr. Novotny asked Mr. Snyder what the developer of 400 N. Washington needs specifically from the City. He said the EDA supports wider sidewalks and undergrounding of utilities and that tax increment financing may be a good way to reduce those costs for an office developer. Others observed that restaurants and office tenants are inter-related in that restaurants need a vibrant day population, provided by office employees, to thrive.

**V. Petitions from the Board (Continued) – Mr. Williams commented that the EDA should encourage City staff to carefully monitor the progress of the two big mixed-use projects now under construction and learn from recent projects regarding the potential for delays. He said that the Northgate, for example, was exceedingly slow in getting built and each month of delay has resulted in lost**

tax revenue. He suggested that impediments created by neighborhood complaints or other reasons need to be resolved quickly or avoided so that the projects can be completed and much-needed tax revenue generated as soon as possible for the City.

## **VI. New Business**

### **a. Presentation of Downtown Falls Church Planning Opportunity Area Plan**

Mr. Snyder led the board through a Power Point presentation in hard copy form. He reviewed the timeline for approval of the plan, which kicked off in June 2013 and is expected to result in approval this June or July. He put the downtown plan in context with opportunity area plans already approved for North Washington and South Washington Streets. He said that the 47 acres in the downtown area has B-2 zoning that allows for tall buildings, in contrast to existing office and retail built to a far less dense suburban scale and with large tracts of surface parking, mostly privately owned.

Mr. Snyder spoke briefly about previous City plans for the downtown area that called for various forms of master development, the most recent being the City Center Plan. He said the proposed new plan for the area is organic and encourages physical and economic growth to complement existing strengths. Rather than development that replaces buildings and businesses, for example, in the two large blocks north of Broad Street between N. Washington and Little Falls Streets, infill development, business expansions, consolidated parking, high quality urban design, and physical improvements are recommended.

This “core entertainment area” is one of three identified sub-areas of the downtown. He described the sub-areas as “Ballston meets Clarendon.” Tall office buildings in the plan would be located in a “core commercial area” south of Broad Street, where smaller scale offices now predominate. On the perimeter of the core commercial area would be an area designated for mixed uses to provide a buffer to existing neighborhoods, and that would enliven the downtown with more residents.

The downtown plan would feature more transportation options for moving people into and out of the area. It would also include greater connectivity for pedestrians to circulate within the area. Potential sites for parking structures are identified in the plan. Mr. Snyder also spoke of the need for rooftop parking deck uses.

“Community character” is addressed in the plan in the form of public projects leading to physical improvements like street extensions, pedestrian lighting, street trees, and enhancements to make Park Avenue a “great street.” The regulation of zoning in the area to promote outdoor dining, business signage, and greater flexibility for physical business expansion is contained in the plan.

Open space integration into the plan was highlighted, as were interim improvements and implementation tools. Mr. Snyder concluded his presentation by outlining next steps for final approval of the plan.

**The following are board member comments:**

Mr. Berg said there was “not much to criticize; the plan is awesome.” Mr. Williams called the plan “fantastic,” adding that there would be logic in extending the downtown area west on Broad Street as far as the Hilton Garden Inn. He asked why a separate area had been designated immediately west of the downtown area, when no obvious boundaries or barriers exist and residents engage the areas as one. Mr. Snyder responded that the “Village Area” will be the next planning opportunity area tackled by staff. He also noted that the City’s Comprehensive Plan treats the areas as distinct and would have to be amended to combine the Downtown and Village Areas.

Mr. Novotny spoke about planning area boundaries, as well. He suggested the downtown area could be extended at least one additional block to the west to include the Broaddale Center.

He observed that, as proposed, the designated downtown area includes a saw-tooth area encompassing the existing office building on N. Maple and Great Falls St., which could invite others to consider redeveloping that building. He commented that it’s an attractive building, an appropriately-sized buffer to the adjacent neighborhoods, and currently an “office” use, and therefore it should be removed from the designated area so we do not encourage redevelopment. Mr. Snyder responded that no zoning or land use changes are recommended in the downtown plan; current zoning does not permit higher density development north of Park Avenue.

Mr. Pelton advised that he and his wife own property in the downtown area. He commented that there is not a shortage of parking in the area, but a lack of cooperation between owners of existing parking lots. Mr. Buschow said he likes the format and content of the plan. He added that more public parking is needed, because share parking agreements between private owners will be hard to obtain. There was discussion about best locations for public parking, particularly in the core entertainment sub-area.

Mr. Buschow requested an analysis of revenue and fiscal impact numbers associated with the range of floor area ratio densities contained in the plan. Mr. Goff responded that EDO staff is working on that analysis for inclusion in the final plan. Mr. Buschow also asked about the merits of using form-based code in the planning area. Mr. Snyder said he had mixed feelings about form-based code in that it can be too prescriptive and “cookie cutter.” He said the City’s code is actually an older version of form-based code.

Mr. Novotny asked if the core commercial area is meant to be exclusively

office, hotel and retail. Mr. Snyder responded that it is. Mr. Novotny said that this sub-area should not exclude a residential component if a critical mass of office is reached and some limited amount of residential could contribute to the vibrancy of that sub-area. Mr. Snyder agreed that as long as the sub-area is predominantly commercial and critical mass is achieved, some limited residential uses would be OK.

Mr. Novotny also noted that the entertainment district limits residential uses to “artist studios,” and suggested that language be added to also allow for micro-residential units or other innovative concepts. He commented that overall the plan is “great.”

Mr. Buschow made a motion to strongly recommend approval by City Council of the Downtown Planning Opportunity Area document as proposed; that the plan should influence the Area 6 (Village Area) plan; and that the EDA’s discussion points as contained in the board meeting minutes are forwarded to planning staff and Council. The motion was seconded by Mr. Berg and approved unanimously.

#### **b. Other New Business**

Mr. Novotny suggested adding land banking program implementation to the agenda as a topic of discussion and possible board action. He asked for two volunteers to serve on a land banking committee to work with staff to seek out opportunities for land acquisition and deployment of EDA funds. Mr. Williams expressed his interest in serving, but also expressed concern that he and his company had been and may continue to be in the market to purchase a commercial office property in the City, and he could therefore face a conflict of interest if his business and the City were to both target the same property.

Mr. Novotny and other board members assured Mr. Williams that they trusted him to recognize and avoid any potential conflicts of interest in a volunteer role. He was then appointed by the board to serve on the land banking committee. Mr. Novotny said that he would like the board to take formal action at their next meeting to move \$1.8 million into a land banking fund, consistent with the EDA’s adopted policy.

### **VII. Old Business**

- a. Little City License Plates: Next Steps** – Ms. Witsman reported on several initial steps in the process to obtain the special plates: (1) a letter from the city manager to the DMV requesting the plate on behalf of the City; and (2) inclusion of information and an application form for a plate in the Commissioner of the Revenue’s annual mailing in July to all motor vehicle sticker holders in the City.

- b. Updates on Work Plan and Action Items from 2013 EDA Retreat** – No reports.

## **VIII. Staff Reports**

### **a. Development Projects**

Mr. Goff reported that City Council had approved a new position, Marketing Specialist, for the EDO in the FY 2015 budget. Board members reviewed copies of Mr. Goff's memo to the city manager and Council describing the position and a preliminary job description and list of qualifications.

Some members expressed disappointment that the position was not more focused on business improvement district-type management, such as event coordination. Others were concerned that the job description as outlined contained duties, tasks and skill requirements that would water down the position from its main objective of business recruitment.

Mr. Goff explained that the EDO's original request for additional staff in the FY 2015 budget was for an Economic Development Generalist to provide needed help to cover existing functions as well as new initiatives generated by Council and the EDA. He said that Council rejected the position as proposed and instead directed the city manager to outline a job description for a Marketing Specialist with a focus on business recruitment. The position as resubmitted by the EDO was approved for the budget year beginning July 1, 2014.

Board members asked if there would be a role for them in framing the job description and/or interviewing candidates for the position. Mr. Goff said he would check with the city manager and human resources director to determine precedent and protocol and then report back.

- b. Business Report** – Staff reported on the status of the Hilton Garden Inn and Kensington assisted living project.

- IX. EDA Member Reports** – Mr. Buschow said he spoke with Paul Stoddard of the City's planning staff about an extension of the Arlington shuttle into Falls Church. He said he would ask Mr. Stoddard to attend the EDA's next board meeting.

Mr. Novotny reported on the EDC's most recent meeting and a presentation from the Spectrum Development team on their revised proposal for a mixed use project at West and Broad Streets.

- X. Other Business** – None.

- XI. Adjournment** – Mr. Pelton made a motion to adjourn, which was seconded by Mr. Williams, and carried unanimously. The meeting adjourned at 10:30 p.m.

